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(U) MEMORANDUM FOR R. RICHARD NEWCOMB
DIRECTOR
OFFICE OF FOREIGN ASSETS CONTROL

(U) THROUGH: Mark D. Roberts
Chief, Foreign Terrorist Programs Division

(U) FROM: Foreign Terrorist Officer

(U) SUBJECT: Designation Pursuant to E.O. 13224

(U) Yasin AL-QADI
(U) a.k.a. Yasin Kadi
(U) a.k.a. Yasin Kahdi
(U) a.k.a. Shaykh Yassin Abdullah Kadi

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(U) POB: Cairo, Egypt
(U) DOB: February 23, 1955

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(U) Current Address: Jeddah, Saudi Arabia

(U) INTRODUCTION:

(U) President Bush issued Executive Order 13224 (September 23, 2001) ("E.O. 13224" or "the E.O."), declaring a national emergency to address grave acts of terrorism and threats of terrorism committed by foreign terrorists, including the September 11, 2001, terrorist attacks in New York, Pennsylvania, and at the Pentagon. E.O. 13224 authorizes the Secretary of the Treasury, in consultation with the Secretaries of State and Homeland Security and the Attorney General, to designate those persons determined to be:

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Derived by: b6, b7c
Derived from: Multiple Sources

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- owned or controlled by, or to be acting for or on behalf of those persons listed in the Annex to the E.O., or those determined to be subject to subsection 1(b), 1(c) or 1(d)(i) of the E.O.;
- assisting in, sponsoring, or providing financial, material, or technological support for, or financial or other services to or in support of, such acts of terrorism or those persons listed in the Annex to E.O. 13224 or determined to be subject to the E.O.; or
- associated with those persons listed in the Annex, or those persons determined to be subject to subsection 1(b), 1(c), or 1(d)(i) of the E.O.

(U) The following is a summary of the evidence in the files of the Office of Foreign Assets Control which supports a determination that **Yassin AL-QADI [AL-QADI]** satisfies the standards for designation under Executive Order 13224 "Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism," and is subject to its provisions and prohibitions.

(U) OFAC has reviewed evidence from many sources involving numerous activities taking place over a significant length of time. OFAC finds that this evidence is credible, particularly when taken as a whole. The evidence includes both publicly available material and classified evidence that is not appropriately releasable to the public for several reasons, including preventing harm to the national security of the United States. The evidence clearly supports the determination that **AL-QADI** is subject to Executive Order 13224.

(U) Summary

~~(S b1~~ **AL-QADI**, a Saudi businessman whose companies span the Middle East, Europe, North America and South Asia, has been consistently identified as a financial supporter of Usama bin Laden and other known Islamic extremists for nearly a decade. This identification has been made by ~~b1, b7D~~ as well as by open source press reports, spanning **AL-QADI**'s associations with businesses, charities and direct relations with individuals aligned with terrorism. It is also supported by federal money-laundering investigations.

(U) **AL-QADI** was initially designated as subject to E.O. 13224 on October 12, 2001. He is also on the United Nations' Consolidated List of All Entities/Individuals Whose Accounts Should be Frozen in Accordance with the United Nations Security Council Resolutions Relating to Afghanistan (Taliban & Usama Bin Laden) or Terrorism, pursuant to paragraph 8(C) of Resolution 1333. The European Union has also frozen his assets, pursuant to Council Regulation (EC) No. 467/2001 "imposing certain specific restrictive measures directed against certain persons and entities associated with Usama bin Laden, the Al-Qaida network and the Taliban." He now seeks reconsideration of his designation under E.O. 13224.

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been used to finance the embassy bombings in Africa," according to the affidavit. [Exhibit JJJ.]

(U) CONCLUSION

(U) Yassin **AL-QADI** is an experienced and sophisticated businessman and financier. He has operated companies, including investment vehicles and banks, in many corners of the world. He is presumed to be capable of understanding his investments, his companies, and his charities, and of being responsible for the actions of those entities which he founds, funds and/or controls.

(U) **AL-QADI**'s defense, however, to all the charges that he has supported terrorists through his provision of funds to Muwafaq and to other entities he controls and to persons with ties to terrorists is that either there is no evidence that these entities and individuals have been involved in terrorism, or that to the extent that they were, this involvement was beyond his knowledge.

~~(S) b1~~ There is, however, substantial and credible evidence that both Muwafaq as an entity, and many of the individuals charged with operating it and distributing its funds, were engaged in a longstanding pattern of supporting terrorist and extremist causes. This evidence comes from both classified and unclassified sources.

(U) The use of a charitable organization to provide cover to funding terrorist operations is by no means unique in this instance. On February 12, 2002, Deputy Assistant Secretary for Terrorism and Violent Crime Juan Zarate testified before the House Financial Subcommittee, Oversight and Investigations, "Investigation and analysis by enforcement agencies have yielded information indicating that terrorist organizations sometimes utilize charities to facilitate funding and to funnel money. Charitable donations to non-governmental organizations (NGOs) are commingled and then often diverted or siphoned to groups or organizations that support terrorism.... Though these charities may be offering humanitarian services here or abroad, funds raised by these various charities are sometimes diverted to terrorist causes. This scheme is particularly troubling because of the perverse use of funds donated in good will to fuel terrorist acts."

(U) There is additional information from U.S. court cases and from his own admissions showing that **AL-QADI** directly provided money to an upper-level HAMAS operative.

(U) **AL-QADI** admits his longstanding and intimate association with SDGT Julaidan, SDGT Chafiq Ayadi, Dr. Abdul Latif Saleh, and Amir Mehdi. The latter three individuals have been, according to the information available to OFAC, arrested and/or deported from their countries of operation because of associations with terrorists, and Julaidan is a known close associate of Usama bin Laden. Each one of these individuals handled significant sums of money provided to him by **AL-QADI**.

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